

San Francisco

CONVENTION & VISITORS BUREAU

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VISITOR INDUSTRY

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VISITOR INDUSTRY IMPACT

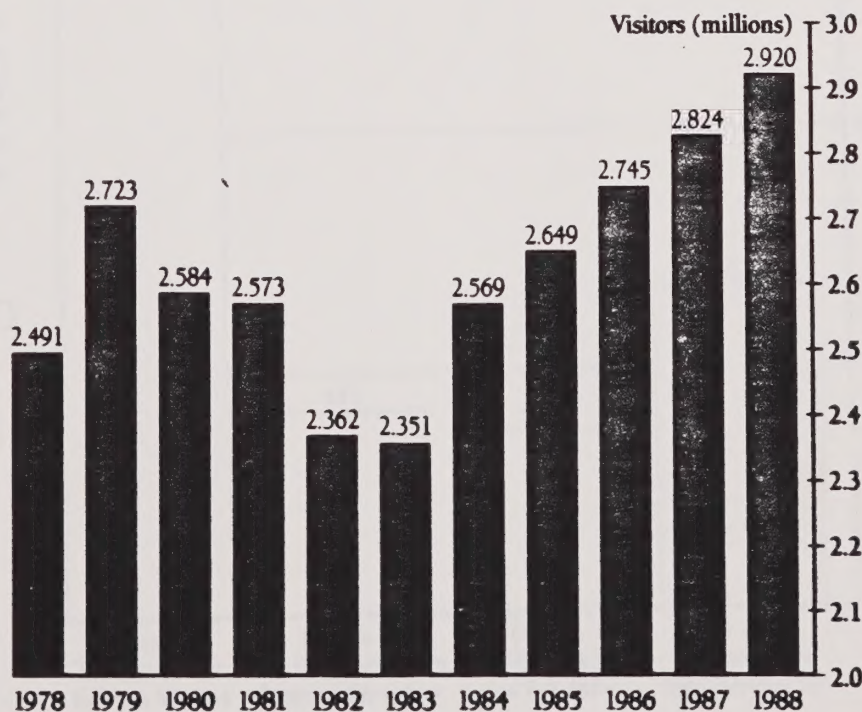
San Francisco's total visitor industry generates \$9.3 million of trade per day in the city, putting it among the top segments of the local economy. It is helpful to comprehend the dynamics and demographics of the industry, not only from the standpoint of their effect on the community, but also in terms that will permit local businesses to address the market. The data summarized in this section respond to some of the most frequent inquiries about San Francisco's visitors and the industry that serves them. It has been gathered by the Bureau at different times from various sources. Where appropriate, spending figures have been adjusted for inflation.

Annual visitor statistics have traditionally been calculated to show only the total number of visitors staying overnight in San Francisco hotels and their expenditures. A more comprehensive study of 1985 visitors published by SPUR in 1987 included those who stayed overnight elsewhere or just visited for the day. Both sets of data have been used to compile this information. However, it is important to note that the findings are expressed differently in each study.

TOTAL VISITORS STAYING OVERNIGHT IN SAN FRANCISCO HOTELS 1978-1988

Visitor activity has increased steadily over the last five years with 1988 figures setting a record high for overnight stays in commercial lodgings within the city limits of San Francisco.

Source: SFCVB utilizing San Francisco Transient Occupancy Tax as a basis.





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THE FIRST PART OF THE... THE SECOND PART OF THE... THE THIRD PART OF THE... THE FOURTH PART OF THE...

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 The fourth part of the...

ESTIMATED 1988 SPENDING — By San Francisco Visitors Staying Overnight in Hotels & Motels

Total spending by the 2.920 million visitors staying in San Francisco hotels and motels in 1988 amounted to \$1.568 billion, a 7 percent increase over the previous year.

Daily expenditures by visitors not staying in San Francisco hotels are compared below. A complete summary of estimated expenditures by all visitors is illustrated on the following pages.

Source: Based on *Survey of San Francisco Visitors — 1983 Summary* conducted for the Bureau by Economics Research Associates.


Note: An updated breakdown of visitor expenditures will be available following a year-long survey of San Francisco visitors being conducted in 1989.

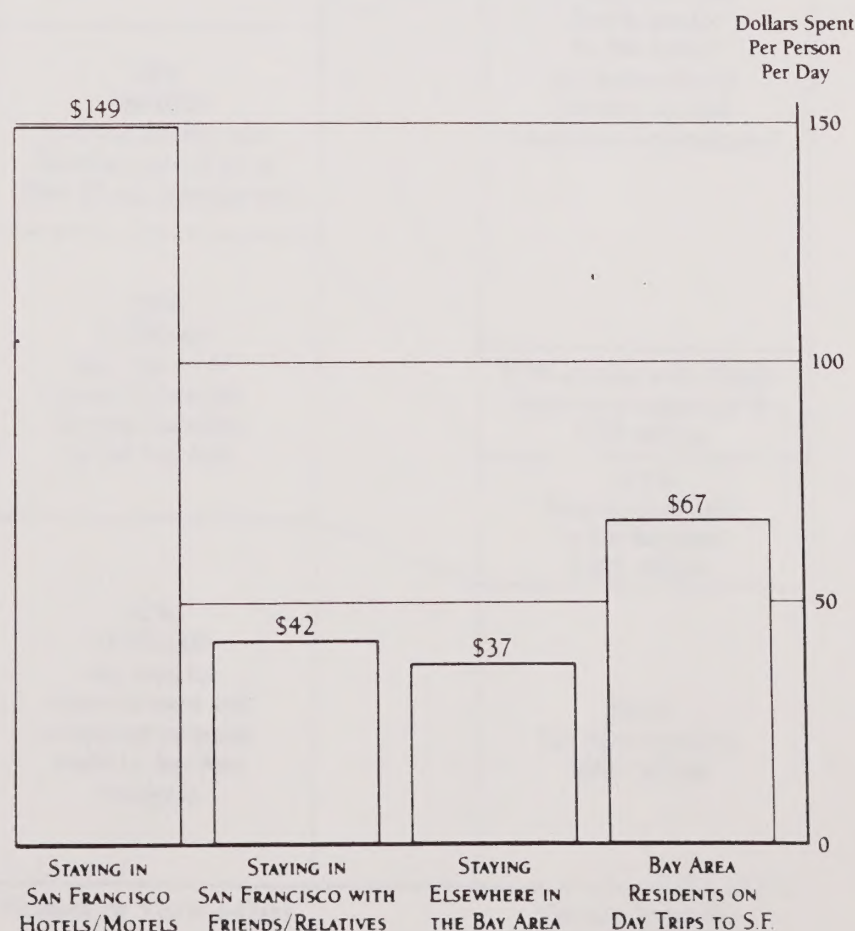
	Percent of Total Spending	Millions of Dollars Spent
Hotel/Motel Room Accommodations	37%	\$ 580.1
Hotel/Motel Restaurants	7%	109.7
Other Restaurants	21%	329.3
Retail Stores	17%	266.7
Entertainment	6%	94.1
Sightseeing	3%	47.0
Local Transportation	3%	47.0
Car Rental	4%	62.7
Car Expenses	1%	15.7
Miscellaneous	1%	15.7
TOTAL	100%	\$1,568.0

DAILY PER CAPITA SPENDING

This chart compares daily per capita spending by visitors staying in different types of accommodations.

Source: Based on data summarized in Economics Research Associates' 1987 report *The Economic and Employment Impacts of Visitors to San Francisco* conducted for the San Francisco Planning & Urban Research Association.

SPENDING BY INDIVIDUALS 

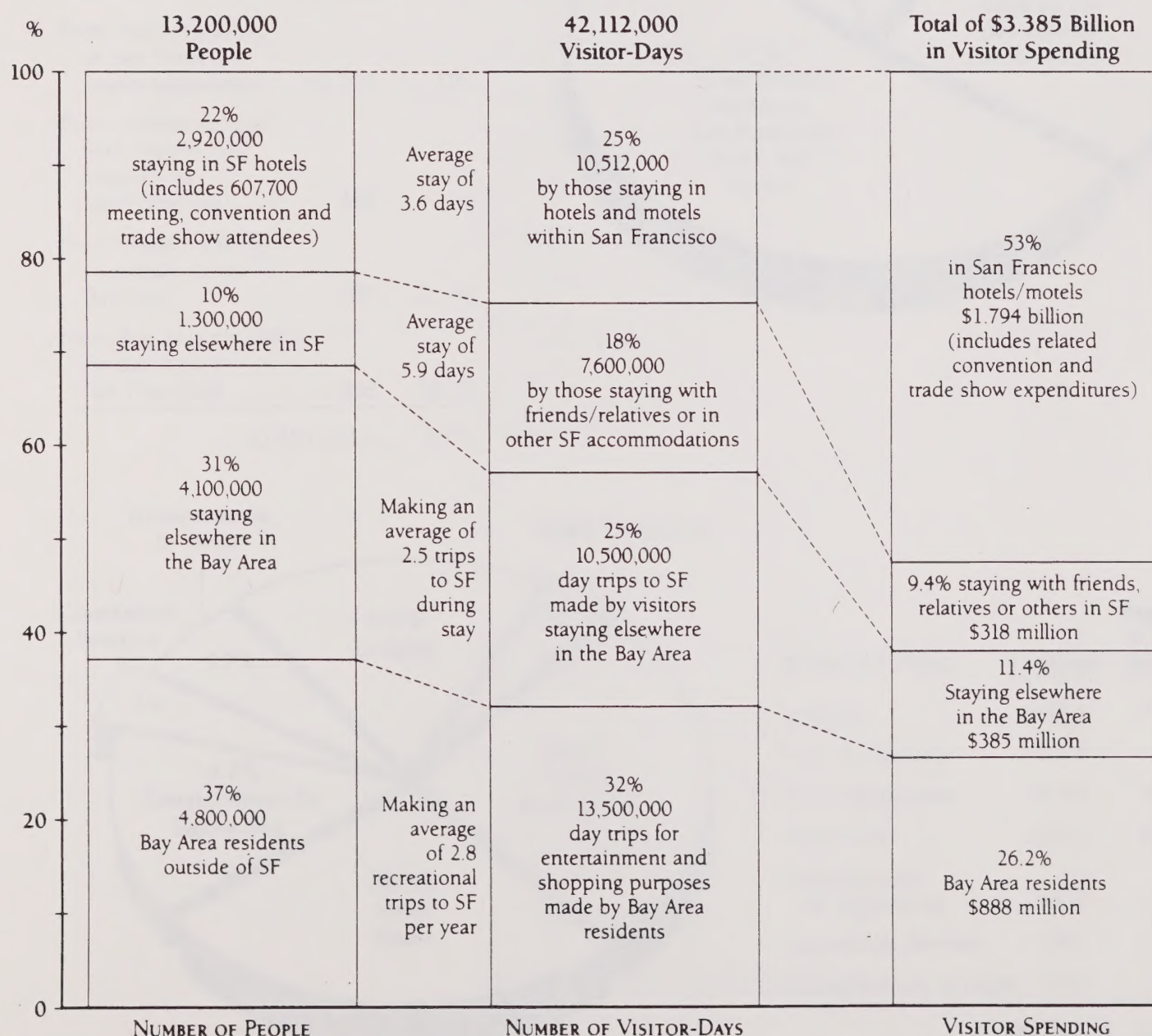


COMPARISON OF VISITOR-DAYS WITH TOTAL SPENDING IN SAN FRANCISCO

Source: Based on data used in Economics Research Associates' 1987 report *The Economic and Employment Impacts of Visitors to San Francisco* conducted for the San Francisco Planning & Urban Research Association.

The number of out-of-area visitors multiplied by the average number of days they spend in San Francisco produces an estimate of visitor-days. It is estimated there were approximately 28.6 million visitor-days spent in San Francisco by these out-of-area visitors in 1988. Bay Area residents here for shopping and entertainment accounted for another 13.5 million visitor-days, resulting in a yearly total of approximately 42.1 million visitor-days. This is equivalent to an average daily visitor population in San Francisco of approximately 115,000 people.

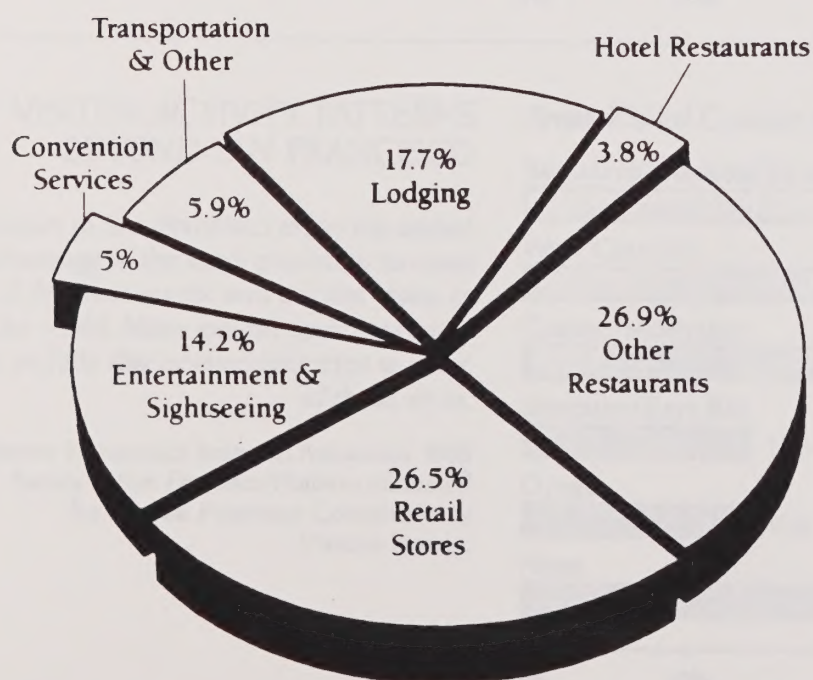
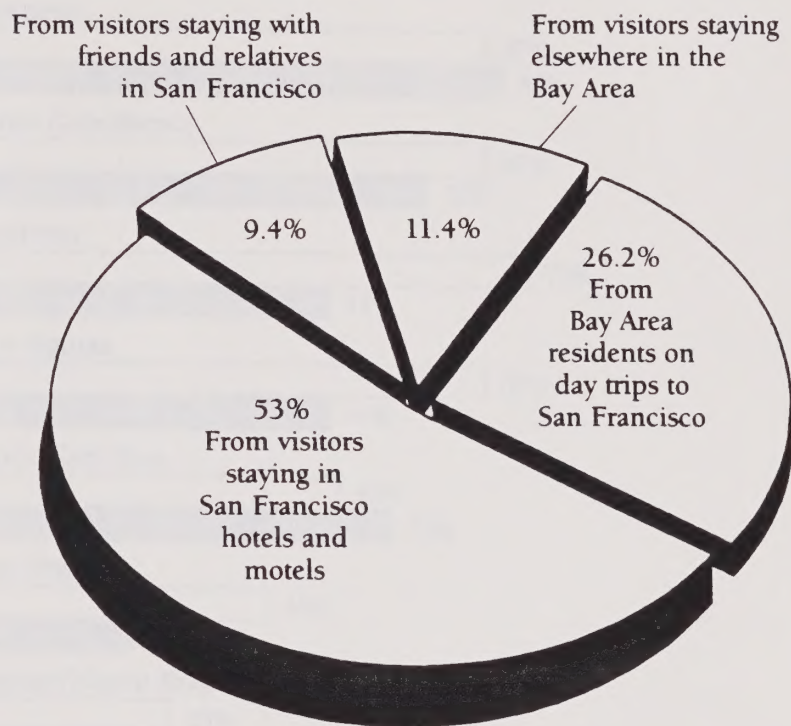
In 1988 visitors and Bay Area residents in San Francisco for the day spent roughly \$3.4 billion here; an average of \$9.3 million a day. Although those who stay in San Francisco hotels and motels account for a quarter of all visitor-days, they generate more than half of all visitor spending.



ESTIMATED FLOW OF VISITOR DOLLARS INTO THE SAN FRANCISCO ECONOMY

The sectors of the San Francisco economy which benefit most heavily from this total visitor spending are the restaurant and retail industries followed by the lodging and entertainment sectors. An estimated breakdown of visitor spending is shown below.

<i>Where It Comes From</i>	<i>\$ Millions</i>	<i>Percent of Total Dollars</i>
From visitors staying in San Francisco hotels and motels	\$1,794	53%
From visitors staying with friends and relatives in San Francisco	318	9.4%
From visitors staying elsewhere in the Bay Area	385	11.4%
From Bay Area residents on day trips to San Francisco	888	26.2%
	\$3.385 billion	100%



<i>Where It's Spent</i>	<i>\$ Millions</i>	<i>Percent of Total Dollars</i>
Lodging	\$599.2	17.7%
Hotel Restaurants	128.6	3.8%
Other Restaurants	910.6	26.9%
Retail Stores	897.1	26.5%
Entertainment & Sightseeing	480.7	14.2%
Convention Services	169.1	5.0%
Transportation & Other	199.7	5.9%
	\$3.385 billion	100.0%

Report on the Survey of the Public's Attitudes Towards the Environment



The survey results indicate that the majority of respondents (65%) consider air pollution and climate change to be the most significant environmental threats. Water pollution follows at 20%, while noise pollution and other issues account for the remaining 15% of responses.

These findings suggest a strong public concern for issues that have a visible and direct impact on daily life, such as air quality and weather patterns. The relatively lower concern for noise pollution, despite its prevalence in urban areas, may reflect a perception that it is a more manageable or less severe issue compared to the others.

Table 1: Summary of survey results by demographic group.

Demographic Group	Sample Size (n)	Most Important Issue	Percentage
Total Population	1,000	Air pollution	35%
		Climate change	30%
		Water pollution	20%
		Noise pollution	10%
		Other	5%
Age Group 18-34	200	Air pollution	40%
		Climate change	25%
		Water pollution	15%
		Noise pollution	10%
		Other	10%
Age Group 35-54	300	Air pollution	30%
		Climate change	35%
		Water pollution	20%
		Noise pollution	10%
		Other	5%
Age Group 55-74	250	Air pollution	25%
		Climate change	30%
		Water pollution	25%
		Noise pollution	15%
		Other	5%
Age Group 75+	100	Air pollution	20%
		Climate change	25%
		Water pollution	30%
		Noise pollution	15%
		Other	10%



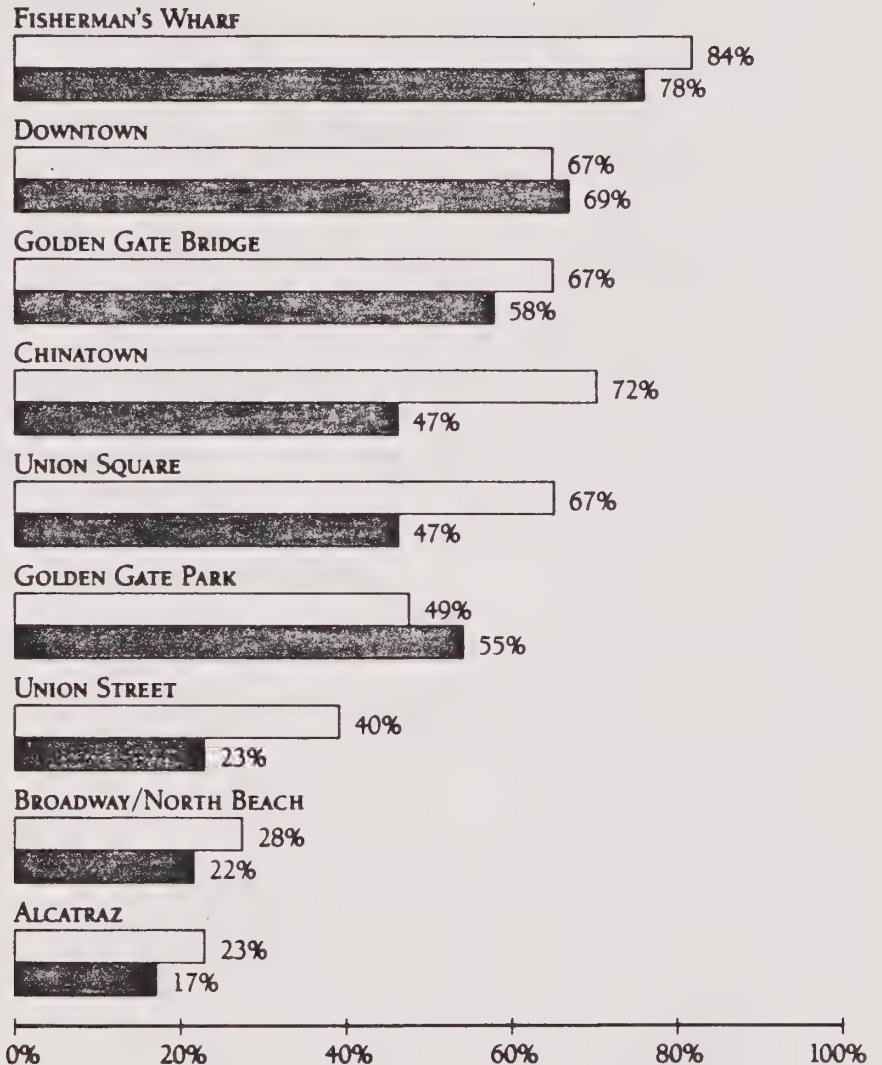
VISITOR ACTIVITY PATTERNS IN SAN FRANCISCO

San Francisco offers a wide variety of entertainment and recreational pursuits throughout the city which are attractive to visitors. This chart indicates the most frequently visited tourist destinations.

Source: Economics Research Associates' 1987 report *The Economic and Employment Impacts of Visitors to San Francisco* conducted for the San Francisco Planning & Urban Research Association.

HOTEL/MOTEL GUESTS 
VISITING FRIENDS & RELATIVES 

Areas Visited by Tourists in San Francisco

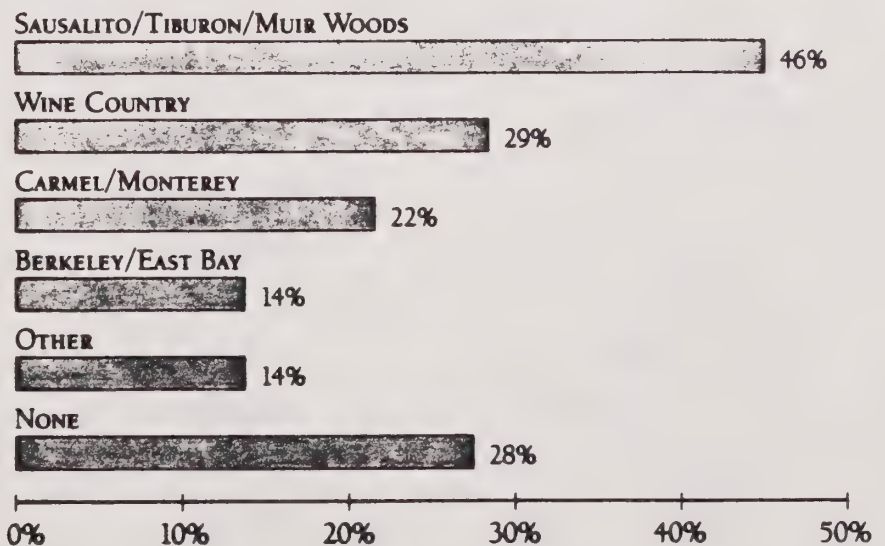


VISITOR ACTIVITY PATTERNS BEYOND SAN FRANCISCO

Visitors to San Francisco enjoy the added advantage of the city's proximity to some of the most scenic and cultural vistas in the world. Many extend their itineraries to include day or overnight trips to some of these areas.

Source: Economics Research Associates' 1983 *Survey of San Francisco Visitors* conducted for the San Francisco Convention & Visitors Bureau.

Areas Visited Outside of San Francisco



PROFILE OF VISITORS STAYING OVERNIGHT IN SAN FRANCISCO HOTELS & MOTELS

The following visitor profile was developed from information gathered from personal interviews with 3,300 visitors at five visitor sites and 25 selected hotels in a representative range of locations and prices. The resulting statistics have been adjusted for inflation.

Source: Economics Research Associates' 1983 *Survey of San Francisco Visitors* conducted for the San Francisco Convention & Visitors Bureau.

Note: A year-long visitor survey is being conducted during 1989, providing an updated profile in the spring of 1990.

Average Age	43 years
Average Household Income	\$63,945
Mode of Arrival in San Francisco	74% by Air 19% by Car
Average Length of Stay	3.6 Nights
First-Time Visitors	37%
Very Frequent Visitors (5+ trips/year)	27%
Purpose of Trip	
Pleasure/Vacation	50%
Convention/Meeting	16%
Business	13%
Business/Pleasure	11%
Visiting Friends/Relatives/Other	10%
Residence	70% Domestic 30% International
Degree of Satisfaction with Trip	86% "Very Satisfied"
Most-Liked Factors	#1 Scenery #2 Restaurants/Food #3 Ambience, Climate and People

POINTS OF ORIGIN FOR SAN FRANCISCO VISITORS

San Francisco's reputation as a world-class visitor destination is validated by the inbound traffic to the city from both domestic and international markets. The leading domestic and international origination points are listed at right.

Top Producing Domestic Markets	Top Producing International Markets
Southern California	Japan
New York	Canada
Chicago	United Kingdom
Boston	West Germany
Houston	Australia/New Zealand
Denver	France
Seattle	Italy

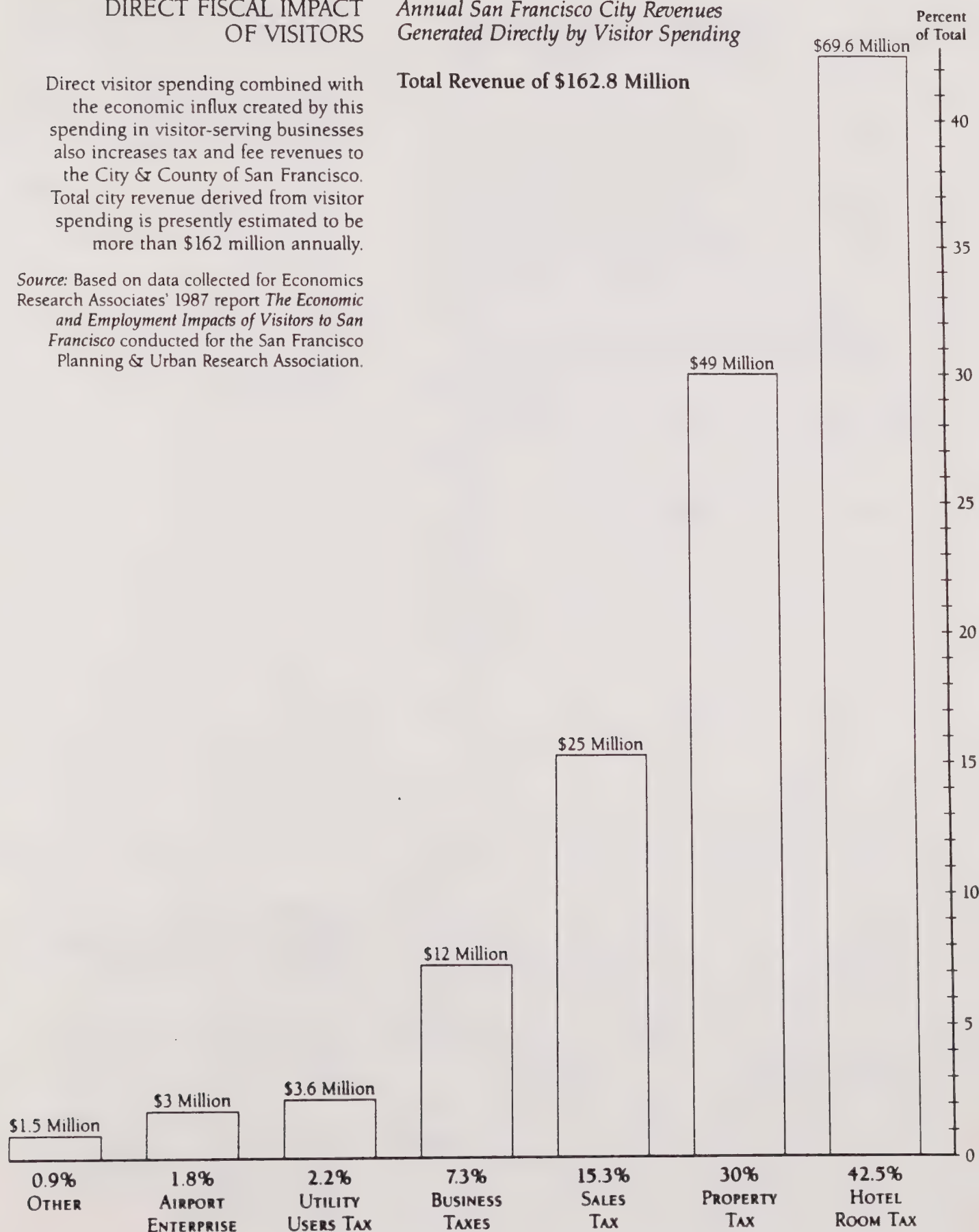
DIRECT FISCAL IMPACT OF VISITORS

Direct visitor spending combined with the economic influx created by this spending in visitor-serving businesses also increases tax and fee revenues to the City & County of San Francisco. Total city revenue derived from visitor spending is presently estimated to be more than \$162 million annually.

Source: Based on data collected for Economics Research Associates' 1987 report *The Economic and Employment Impacts of Visitors to San Francisco* conducted for the San Francisco Planning & Urban Research Association.

Annual San Francisco City Revenues Generated Directly by Visitor Spending

Total Revenue of \$162.8 Million

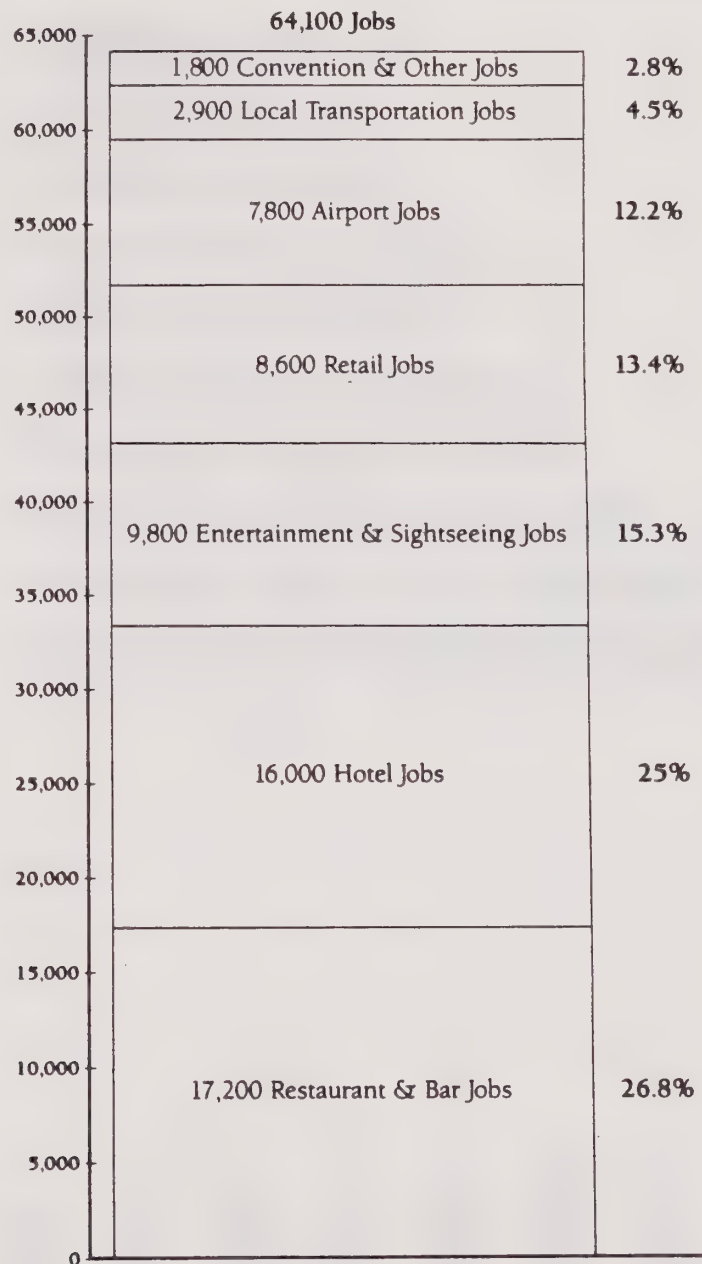


EMPLOYMENT IMPACT OF VISITORS TO SAN FRANCISCO

It is estimated that more than 64,000 jobs are directly supported by visitor spending in San Francisco with a payroll in excess of \$1 billion, exclusive of gratuities.

When considering the jobs generated by those businesses servicing the visitor industry the employment impact is nearly doubled.

Source: Based on data from Economics Research Associates' 1987 report *The Economic and Employment Impacts of Visitors to San Francisco* conducted for the San Francisco Planning & Urban Research Association.



DEMOGRAPHIC CHARACTERISTICS OF VISITOR INDUSTRY EMPLOYEES

Those employed in the industry are primarily San Francisco residents of varied ethnicity with an almost equal representation of men and women.

Source: Economics Research Associates' 1987 report *The Economic and Employment Impacts of Visitors to San Francisco* conducted for the San Francisco Planning & Urban Research Association.

Residence

64% San Francisco	36% Other Bay Area
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Ethnicity

55% Caucasian	22% Asian/Pacific Islander	14% Hispanic	8% Black
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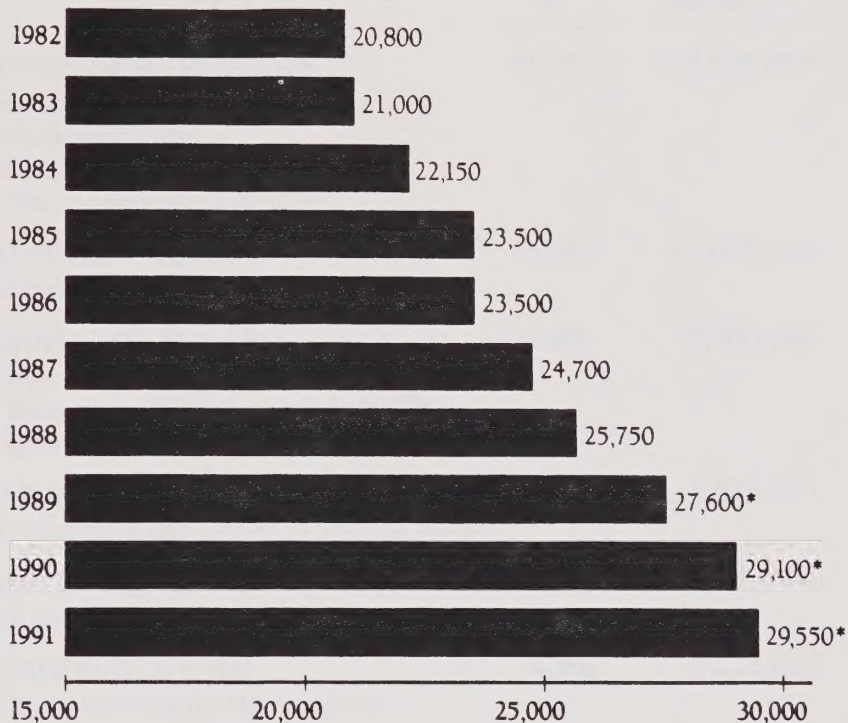
Gender

59% Male	41% Female
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HOTEL ROOM CAPACITY

San Francisco's inventory of hotel rooms increased 24% from 1982 to 1988. The total number of transient rooms in the city is expected to exceed 29,500 by 1991, accounting for a 42% growth for the decade.

* Includes rooms available at hotels planned or under construction as of April, 1989.

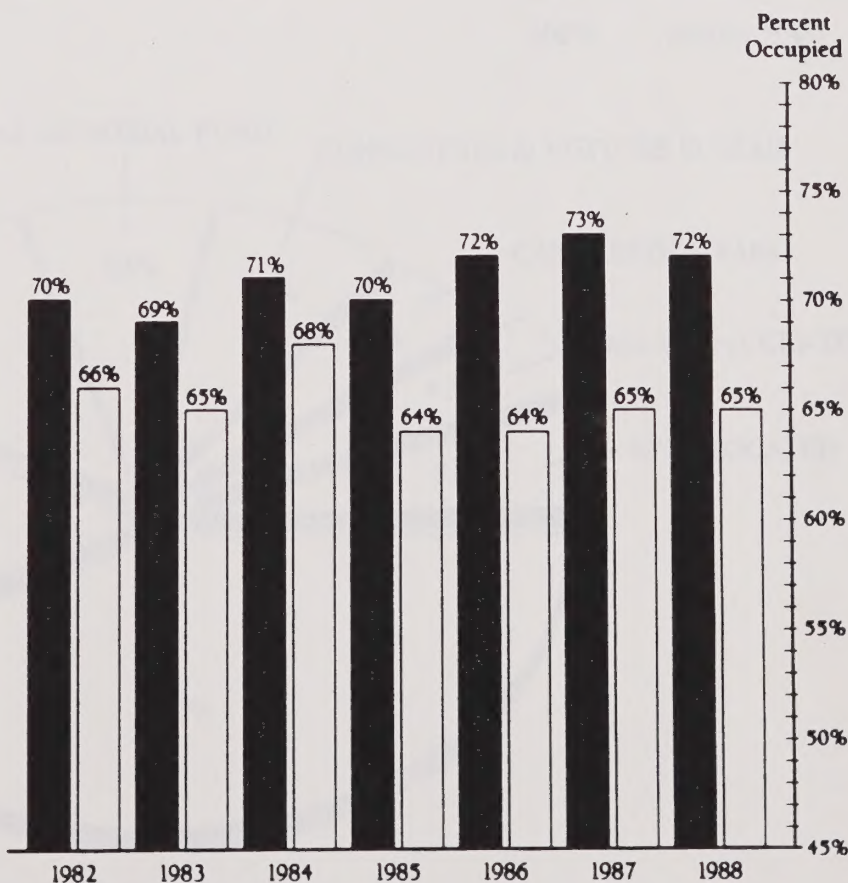


HOTEL OCCUPANCY TRENDS

Despite an increase in room inventory, San Francisco's city-wide hotel occupancy declined only one percent in 1988 to 72 percent, surpassing the national average by seven points.

Sources: Pannell Kerr Forster and Laventhol & Horwath.

SAN FRANCISCO AVERAGE ■
UNITED STATES AVERAGE □



THEORY

The purpose of this experiment is to determine the effect of temperature on the rate of reaction between hydrogen peroxide and potassium iodide. The reaction is as follows:

$$2H_2O_2(aq) \rightarrow 2H_2O(l) + O_2(g)$$

The rate of reaction can be determined by measuring the volume of oxygen gas produced over a given time interval. The rate of reaction is expected to increase with increasing temperature.

EXPERIMENTAL PROCEDURE

The experiment was carried out using a gas syringe to measure the volume of oxygen gas produced. The reaction mixture was prepared by mixing a known volume of hydrogen peroxide solution with a known volume of potassium iodide solution. The reaction was initiated by adding a small amount of a catalyst. The volume of oxygen gas produced was measured at regular intervals of time.

The following table shows the results of the experiment.

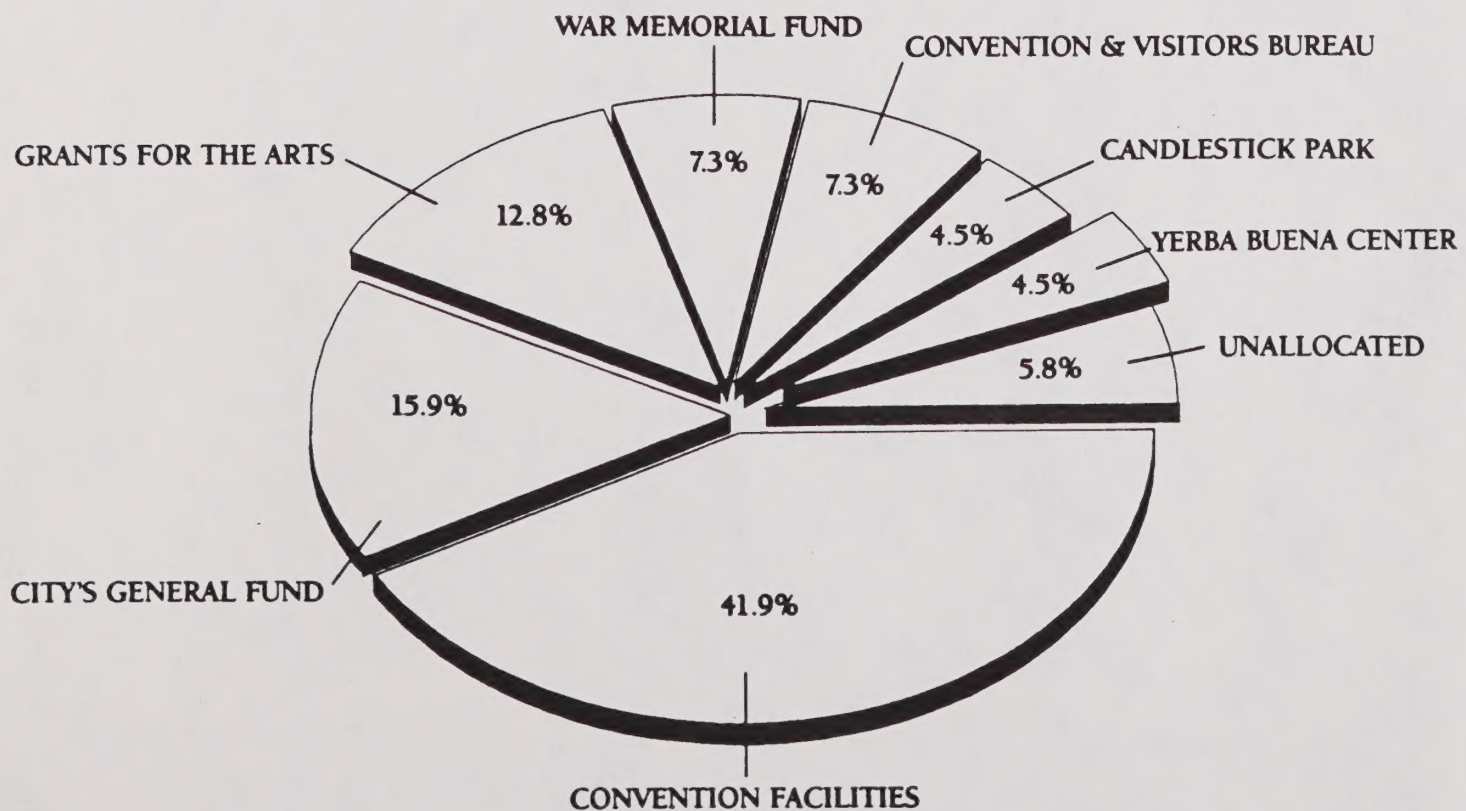


DISTRIBUTION OF 11% TRANSIENT OCCUPANCY TAX *City & County of San Francisco*

San Francisco's hotel room tax went into effect on July 1, 1961. The local legislation governing the tax rate and its collection and allocation has been amended several times since it was first adopted at the rate of 3%. The tax rate was last raised on January 1, 1987 when it went from 9.75% to 11% with the increase designated for the expansion of Moscone Center. The tax is added to the rental of all transient rooms with a daily rate of \$20 or more and occupied for less than 30 days.

The following breakdown of the distribution of the hotel tax revenues *approximates* the allocations as provided for in Section 515 of Part III, Article 7 of the San Francisco Municipal Code as last amended in December 1986. The estimated dollar equivalents are based on the City Controller's estimates that the total 11% rate will yield \$69,600,000 in fiscal year 1989/90.

	%	1989/90 (EST.)
CONVENTION FACILITIES (Moscone Center, Brooks Hall, Civic Auditorium) —Bond Retirement, Operations, Maintenance & Expansion	41.9%	\$29,190,000
CITY'S GENERAL FUND —City's Operating Budget	15.9%	11,075,000
GRANTS FOR THE ARTS —Non-Profit Arts & Cultural Support & Promotion (Allocations made by City's Chief Administrative Officer)	12.8%	8,900,000
WAR MEMORIAL FUND —Performing Arts Center Operating Budget	7.3%	5,075,000
CONVENTION & VISITORS BUREAU —Tourism & Convention Promotion	7.3%	5,075,000
CANDLESTICK PARK —Bond Retirement, Maintenance	4.5%	3,125,000
YERBA BUENA CENTER —Subsidized Housing	4.5%	3,125,000
UNALLOCATED —Reverts to City's General Fund	5.8%	4,035,000
	100%	\$69,600,000



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